Docket #: > Institution Name: > Examination As of Date: >		
tional responsibilities should complete t	tor or person in charge of internal controls withis questionnaire. An outside contractor or s internal control review functions for the fi	the internal audit
Check here if the financial institution dehere.	oes not have an internal audit function:	If checked, stop
independent internal audit function or staff responsible for internal audit doe audit committee or board of directors.	procedures (indicated by a flag) if the instance there is a "no" response given below. Index not have operational responsibilities and Minimum procedures are set forth in the laters will note completed work with a work p	lependent means that the d they report directly to the Internal Control Program in
Theinternal auditoroutsid this questionnaire.	le contractorinternal audit departmen	nt of an affiliate completed
	number of the primary contact at the institut or any persons outside the institution who pr	
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		<u>Yes</u>	No
	Internal Control Department		
1.	List the chief internal auditor's name, any related professional designation(s), and number of years of financial institution and auditing experience.	-	
2.	List the other employees in the internal audit department and the audit experience of each.		
3.	How long has the chief auditor worked for the institution, and how long has this person held the present position?		
4.	Whom does the chief auditor report to functionally? Administratively?		
5.	Does the external CPA firm rely on work performed by the internal audit department in determining the extent of their compliance or substantive testing?		
6.	Did the audit department discover any frauds or embezzlements since the last OTS examination? If yes, please attach information for review.		
7.	Are work papers accessible for review by examiners?		
	General		
8. 🔼	Does the audit department test general ledger entries for appropriate support and approval?		
9. 🔼	Does the audit department review expense disbursements for appropriate support and approval?		
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			Yes	No
10.		Does the audit department review procedures to determine that subsidiary accounts are reconciled promptly to the general ledger, including suspense accounts? (This can be as frequently as daily depending upon the volume and significance.)		
11.	A.	On a test basis, do audit procedures include the review of the approval and documentation for entries to the books of the financial institution?	<del></del> -	
12.		Do audit procedures include a review of the institution assets, or assets securitized by the institution, that others hold or service?		
13.	<b>A</b> .	Does the audit department balance a listing of assets others hold or service monthly, and confirm balances annually?		
14.		Do audit procedures include the review of insider and affiliated party transactions for proper documentation and approval?		
		Cash and Cash Items		
15.	Ą.	Do audit procedures include a review of internal controls in this area?		
16.		State the audit frequency in this area for the main office and the branches.		
17.		How frequently does the audit department perform surprise cash counts?		
18.		Does the audit department trace cash items to their final disposition?		
19.		How frequently do audit procedures require testing for adherence to established teller cash limits?		
20.	N,	Do audit procedures require testing for adherence to dual control policies where applicable?		
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		Yes	No
21.	Do audit procedures include review of the use of supervisory overrides relating to teller operations?		
22.	List the dates of the last audits in this area.		
	Due From Banks		
23.	Do audit procedures include a review of internal controls in this area?		
24.	State the audit frequency for this area.		
25.	Does the auditor request cut-off statements and canceled checks when auditing this area?		
26.	When auditing this area, which reconcilements are proved such as audit date, most recent, etc.?		
27. 🄼	Does the audit department undertake a review to ensure that the institution reconciles all bank accounts when they receive the statement?		
28.	Does the institution trace outstanding reconcilement items from the last audit to final disposition, noting unusual aging and number of reconciling items?		
29.	How frequently does the audit department review drafts for propriety?		
30.	Do audit procedures include tracing selected items from the general ledger to the source (originating department)?		
31.	List the dates of the last audits of this area.		
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		Yes	No
		168	<u>110</u>
	Investment Portfolio		
32.	Do audit procedures include a review of internal controls in this area?		
33.	State the audit frequency for this area.		
34.	Does the audit department establish control over the vault(s) containing physical securities at the beginning of surprise audits (or announced audits)?		
35.	Is there physical verification of the securities to the subsidiary ledger?		
36. 🔼	Do audit procedures include reconciling the subsidiary ledger(s) to the general ledger control account(s) as of the audit date or a recent date?		
37. 🔼	Do audit procedures include confirming securities held in safekeeping outside the institution?		
38.	Were all securities in safekeeping outside the institution confirmed during the last audit?		
39.	Do audit procedures include reviewing the par value of inventory for compliance with limits on authorized holdings?		
40.	What was the date of the last audit of this area?		
	Demand Deposits		
41.	Do audit procedures include a review of internal controls in this area?		
42.	State the audit frequency in this area.		
43.	Do audit procedures require confirmation of a sample of demand accounts including dormant accounts?		
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Dod	ket	#:	>

**Institution Name:** >

		Yes	No
44.	If the answer above is yes, are positive confirmations used?		
45.	Do audit procedures require a review of dormant activity and compliance with the escheat laws currently in effect?		
46.	On a test basis, do audit procedures require a review of returned and holdover items for propriety and evidence of subsequent clearance of material items?		
47. 🄼	Do procedures provide for a review of the handling of uncollected funds and kiting?		
48.	Do procedures provide for a review of director, officer, and employee accounts for large or unusual transactions relative to their salary?		
49.	List the last audit date for this area.		
	Time Deposits		
50.	Do audit procedures include a review of internal controls in this area?		
51.	State the audit frequency in this area.		
52.	Do audit procedures require confirmation of a sample of time accounts including dormant accounts?		
53.	If the answer above is yes, are positive confirmations used?		
54.	Do audit procedures require a review of dormant activity and compliance with the escheat laws currently in effect?		
55.	How frequently does the audit department test interest accrued and paid to accounts?		
56.	Does the audit department use audit software in the testing referred to in the question above?		
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			Yes	No
57.		List the last audit date for this area.		
		Loans		
58.	<b>A</b>	Do audit procedures include a review of internal controls in this area?		
59.		State the audit frequency in this area.		
60.		Do audit procedures require confirmation of a sample of loan accounts?		
61.		If the above is yes, are positive confirmations used?		
62.		Does the audit department's responsibilities include evaluating the adequacy of the loan loss reserves?		
63.	<u> </u>	On a test basis, does the audit department review the approvals for loan disbursements and charged-off loans?		
64.		How frequently does the audit department test income and related accrued interest and unearned discount?		
65.		Does the audit department use audit software in the testing referred to in the question above?		
66.		Do audit procedures include a test check of the inventory of original notes, deeds of trust, car titles, and negotiable collateral for loans in the portfolio?		
67.		List the last audit date for this area		
		Wire Transfers		
68.	•	Do audit procedures include a review of internal controls in this area?		
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List the last audit date for this area

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#### INTERNAL AUDITOR QUESTIONNAIRE Preliminary Examination Response Kit Office of Thrift Supervision

Exan	nination As of Date: >		
		Yes	No
69.	State the audit frequency in this area.		
70.	Does the audit department test wire transfers to ensure timely verifications and reconciliations?		
71.	Does the audit department undertake a review to ensure that wire transfer process involves independent parties?		

Does the audit department test wire transfers to ensure compliance with written proce-

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